Executive Summary

Condominium Conversion Subdivision

HEARING DATE: DECEMBER 8, 2016 CONSENT CALENDAR

Date: December 1, 2016
Case No.: 2016-010889CND
Project Address: 1353 9th Avenue

Zoning: Inner Sunset NCD (Neighborhood Commercial District)

40-X Height and Bulk District

Block/Lot: 1764/010

Project Sponsor: Boyd McSparran

Goldstein, Gellman, Melbostad, Harris & McSparran, LLP

1388 Sutter Street, Suite 1000 San Francisco, CA 94109

Staff Contact: Laura Ajello – (415) 575-9142

laura.ajello@sfgov.org

Recommendation: Approval

1650 Mission St. Suite 400 San Francisco, CA 94103-2479

Reception: 415.558.6378

Fax:

415.558.6409

Planning Information: 415.558.6377

PROJECT DESCRIPTION

The project proposes to convert a three-story, six-unit building into residential condominiums. No alterations to the building are proposed other than those that result from the Department of Building Inspection's Physical Inspection Report. The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six residential units for consistency with the General Plan.

Residential Unit Description

Unit No.	Square-Feet	No. of Bedrooms
1	697	2
2	399	1
3	744	2
4	697	2
5	399	1
6	744	2

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Rental History:

- Three of the six dwelling units are owner-occupied.
- There are no households with persons that are aged 62 or older or permanently disabled.

Five-Year Rental History

Unit #	Duration	Occupant	Rent	Reason for	Purchaser
				Leaving	
1	8/2015-present	Nina Pollock & Riley Cox	\$3,250	n/a	No
1	1/2015-8/2015	Byron Hing	0-0	n/a	No
1	8/2014-1/2015	Christina Ma	0-0	Sold Unit	No
1	4/2010-8/2015	Meri Otsuka	Unknown	Voluntary	No
2	5/2010-present	Julie Alonso	O-O	n/a	Yes
2	1/2010-5/2010	Thomas Tran	0-0	Sold Unit	No
3	1/2005-present	Danny Tan	0-0	n/a	Yes
4	1/2005-present	Vi Nhan	0-0	n/a	Yes
5	8/2015-present	Jacob Rabeck	\$2,000	n/a	No
5	4/2010-8/2015	Lee Faller	O-O	Sold Unit	No
6	9/2015-present	Carol Vollmer	\$4,050	n/a	No
6	04/2010-9/2015	Jackie Lau	0-0	Sold Unit	No

SITE DESCRIPTION AND PRESENT USE

The project site is located at 1353 9th Avenue on the west side of 9th Avenue between Irving and Judah Streets on Assessor's Block 1764, Lot 010. The project site is located within the Inner Sunset NCD (Neighborhood Commercial District), 40-X Height and Bulk District, and is approximately 3,000 square feet in size (approximately 25 feet wide by 120 feet deep). The three-story building is occupied by six dwelling units and was constructed circa 1963.

SURROUNDING PROPERTIES AND NEIGHBORHOOD

The project site is located in the Inner Sunset neighborhood. The surrounding development consists mainly of multi-unit buildings and the scale of development in the area consists of two and three-story mixed-use structures, with retail on the ground floor and residences above.

The property immediately adjacent to the north at $1345 \, 9^{th}$ Avenue is a one-story commercial automotive service building containing no residential units. The property immediately adjacent to the south at $1365 \, 9^{th}$ Avenue is a twin three-story building containing six residential units.

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ENVIRONMENTAL REVIEW STATUS

The project was determined not to be a project under CEQA Guidelines Sections 15060(c) and 15378 because there is no direct or indirect physical change in the environment.

HEARING NOTIFICATION REQUIREMENTS

ТҮРЕ	REQUIRED PERIOD	REQUIRED NOTICE DATE	ACTUAL NOTICE DATE	ACTUAL PERIOD
Posted Notice	10 days	November 28, 2016	November 28, 2016	10 days
Mailed Notice	10 days	November 28, 2016	November 28, 2016	10 days

PUBLIC COMMENT

 To date, the Department has not received any letters or phone calls in support of or in opposition to the project.

ISSUES AND OTHER CONSIDERATIONS

- The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units, where at least one unit is residential, for consistency with the General Plan. Similar projects with four or fewer units are approved administratively. This provision requiring Planning Commission review for larger projects may be a residual of former rent control regulations.
- In the Inner Sunset NCD, a maximum of one dwelling unit per 800 square feet of lot area can be considered legal and conforming to the Planning Code. The remaining dwelling units must be considered legal, nonconforming dwelling units and will be subject to the limitations under Planning Code Section 181. The proposed project situated on a 3,000 square foot lot contains four legal, conforming dwelling units.

REQUIRED COMMISSION ACTION

The proposed project requires Planning Commission approval Sections 1332 and 1381 of the Subdivision Code to allow the condominium conversion subdivision of five to six residential unit buildings. Findings must be made that the proposal is consistent with the General Plan and the Subdivision Code.

BASIS FOR RECOMMENDATION

The proposed project is consistent with the Housing Element of the General Plan in that the existing supply of housing will be maintained, the condominium subdivision application is subject to the restrictions of the Subdivision Code, and the subdivision will allow for home ownership opportunities for San Francisco residents.

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- The eight priority planning policies set forth by City Planning Code Section 101.1 are met.
- The project meets the requirements for condominium conversions under the California State Map Act and the San Francisco Subdivision Code.

RECOMMENDATION: Approval

Attachments:

Block Book Map Sanborn Map Zoning Map Aerial Photograph Site Photograph Executive Summary Hearing Date: December 8, 2016

Exhibit Checklist

	Executive Summary		Project sponsor subm	ittal
	Draft Motion		Drawings: Existing Co	<u>onditions</u>
	Environmental Determination		Check for legibil	ity
	Zoning District Map		Drawings: Proposed 1	<u>Project</u>
	Height & Bulk Map		Check for legibil	ity
	Block Book Map		Health Dept. review of	of RF levels
	Sanborn Map		RF Report	
	Aerial Photos		Community Meeting	Notice
	Context Photo		Public Corresponden	ce
	Site Photo			
]	Exhibits above marked with an "X" are inc	lude	d in this packet	LMA
				Planner's Initials

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SAN FRANCISCO PLANNING DEPARTMENT

Subject to: (Select only if applicable)	
☐ Affordable Housing (Sec. 415)	☐ First Source Hiring (Admin. Code)
☐ Jobs Housing Linkage Program (Sec. 413)	☐ Child Care Requirement (Sec. 414)
□ Downtown Park Fee (Sec. 412)	☐ Other

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Planning Commission Draft Motion

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ADOPTING FINDINGS RELATING TO THE REVIEW FOR CONSISTENCY WITH THE GENERAL PLAN TO ALLOW A CONDOMINIUM CONVERSION SUBDIVISION OF A THREE-STORY SIX-UNIT BUILDING INTO RESIDENTIAL CONDOMINIUMS WITHIN THE INNER SUNSET NCD (NEIGHBORHOOD COMMERICAL DISTRICT) ZONING DISTRICT AND A 40-X HEIGHT AND BULK DISTRICT.

PREAMBLE

On August 17, 2016, Boyd McSparran (hereinafter "Project Sponsor") filed an application with the Department of Public Works, Bureau of Street Use and Mapping for Planning Department review to allow the Condominium Conversion Subdivision of a three-story, six-unit building into residential condominiums within the Inner Sunset NCD (Neighborhood Commercial District) Zoning District and a 40-X Height and Bulk District. The subject building is considered a legal use as the Report of Residential Building Record indicates that the legal authorized occupancy and use is a six-unit dwelling.

On December 8, 2016, the San Francisco Planning Commission (hereinafter "Commission") conducted a duly noticed public hearing at a regularly scheduled meeting on Condominium Conversion Subdivision Application No. 2016-010889CND.

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Section 1396, Article 9 of the Subdivision Code of the City and County of San Francisco sets forth the following rules and regulations for condominium conversions:

- A. Units may be converted to condominiums so long as they meet the requirements of the Expedited Conversion Program per the Subdivision Code. An exception is provided for two-unit buildings where both units are owner-occupied for one year.
- B. The following categories of buildings may be converted to condominiums:
 - i. Buildings consisting of four units or less in which at least one of the units has been occupied continuously by one of the owners of record for five years prior to the date of application for conversion.
 - Buildings consisting of six units or less in which at least three of the units have been ii. occupied continuously by three of the owners of record for five years prior to the date of application for conversion.

The Subdivision Code requires that the Planning Commission hold a public hearing to review condominium conversion subdivisions containing five to six units for consistency with the General Plan where at least one unit is residential. The Code calls for a sales program which promotes affirmative action in housing, a non-transferable tenant right of first-refusal to purchase the unit occupied by the tenant and various relocation requirements, including the right to a \$1,000 relocation payment.

The Subdivision Code further provides for a lifetime lease for all tenants aged 62 years or older and/or are permanently disabled, and requires that no less than 40 percent of the tenants either have signed Intent to Purchase forms or be in a position of accepting such a lifetime lease. The Code prohibits any increase in rents while the conversion application is pending before the City.

The Project is exempt from the California Environmental Quality Act ("CEQA") as a Class 1 categorical exemption.

The Commission has heard and considered the testimony presented to it at the public hearing and has further considered written materials and oral testimony presented on behalf of the applicant, Department staff and other interested parties.

MOVED, that the Commission hereby approves the Condominium Conversion Subdivision requested in Application No. 2016-010889CND based on the following findings:

FINDINGS

Having reviewed the materials identified in the preamble above, and having heard all testimony and arguments, this Commission finds, concludes, and determines as follows:

1. The above recitals are accurate and constitute findings of this Commission.

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2. The applicant requests Planning Department review of a Condominium Conversion Subdivision Application to allow for the conversion of the multi-unit building.

- 3. As required by Section 1396 of the San Francisco Subdivision Code, at least three of the units have been owner occupied continuously by one or more of the owners of record for five years prior to the date of application for conversion.
- 4. Tenants in the subject building were notified of their right-of-first refusal to purchase the unit they occupy, as required by the Subdivision Code, and of other rights to which they are entitled under provisions of the same Code.
- 5. A search of the Rent Board database did not show any tenant petitions or eviction notices filed with the Rent Board in the last 5 years.
- 6. On balance, the Project is consistent with the Objectives and Policies of the General Plan, as follows:

HOUSING ELEMENT

Objectives and Policies

OBJECTIVE 2:

RETAIN EXISTING HOUSING UNITS, AND PROMOTE SAFETY AND MAINTENANCE STANDARDS, WITHOUT JEOPARDIZING AFFORDABILITY.

Policy 2.4:

Promote improvements and continued maintenance to existing units to ensure long term habitation and safety.

Property owners are required to correct outstanding code violations identified in a Physical Inspection Report issued by the Department of Building Inspection (DBI). All work must be completed and a DBI Certificate of Final Completion must be issued prior to DPW approval.

OBJECTIVE 3:

PROTECT THE AFFORDABILITY OF THE EXISTING HOUSING STOCK, ESPECIALLY RENTAL UNITS.

Policy 3.3:

Maintain balance in affordability of existing housing stock by supporting affordable moderate ownership opportunities.

Conversions of rental stock to condominiums help achieve affordable homeownership, providing a category of housing stock for moderate income housing needs. Through the Expedited Conversion Program, properties are eligible to convert from rental units to ownership status so long as owner-occupancy requirements are met.

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- 7. **Planning Code Section 101.1(b)** establishes eight priority-planning policies and requires review of permits for consistency with said policies. On balance, the project does comply with said policies in that:
 - A. That existing neighborhood-serving retail uses be preserved and enhanced and future opportunities for resident employment in and ownership of such businesses be enhanced.

The proposal would have no adverse effect upon existing neighborhood-serving retail uses as it is a change in form of residential tenure.

B. That existing housing and neighborhood character be conserved and protected in order to preserve the cultural and economic diversity of our neighborhoods.

The proposal is a change in form of residential tenure and would not alter the existing housing and neighborhood character of the vicinity.

C. That the City's supply of affordable housing be preserved and enhanced,

No housing would be removed for this project.

D. That commuter traffic not impede MUNI transit service or overburden our streets or neighborhood parking.

The proposal is a change in form of residential tenure and would not affect public transit or neighborhood parking.

E. That a diverse economic base be maintained by protecting our industrial and service sectors from displacement due to commercial office development, and that future opportunities for resident employment and ownership in these sectors be enhanced.

The proposal is a change in form of residential tenure and would not involve the industrial or service sectors of the City.

F. That the City achieve the greatest possible preparedness to protect against injury and loss of life in an earthquake.

The proposal is subject to inspection by the Department of Building Inspection and will be required to make any code required repairs, including those related to life safety issues, prior to the recordation of the final condominium subdivision map.

G. That landmarks and historic buildings be preserved.

5

The proposal is a change in form of residential tenure and would not affect landmarks or historic buildings.

H. That our parks and open space and their access to sunlight and vistas be protected from development.

The proposal is a change in form of residential tenure and would not affect public parks or open space.

- 8. The Project is consistent with and would promote the general and specific purposes of the Code provided under Section 101.1(b) in that, as designed, the Project would contribute to the character and stability of the neighborhood and would constitute a beneficial development.
- 9. The Commission hereby finds that approval of the Condominium Conversion Subdivision would promote the health, safety and welfare of the City.

Draft Motion

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DECISION

That based upon the Record, the submissions by the Applicant, Department staff and other interested parties, the oral testimony presented to this Commission at the public hearings and all other written materials submitted by all parties, the Commission hereby APPROVES Condominium Conversion Subdivision Application No. 2016-010889CND.

I hereby certify that the Planning Commission ADOPTED the foregoing Motion on December 8, 2016.

Jonas P. Ionin
Commission Secretary

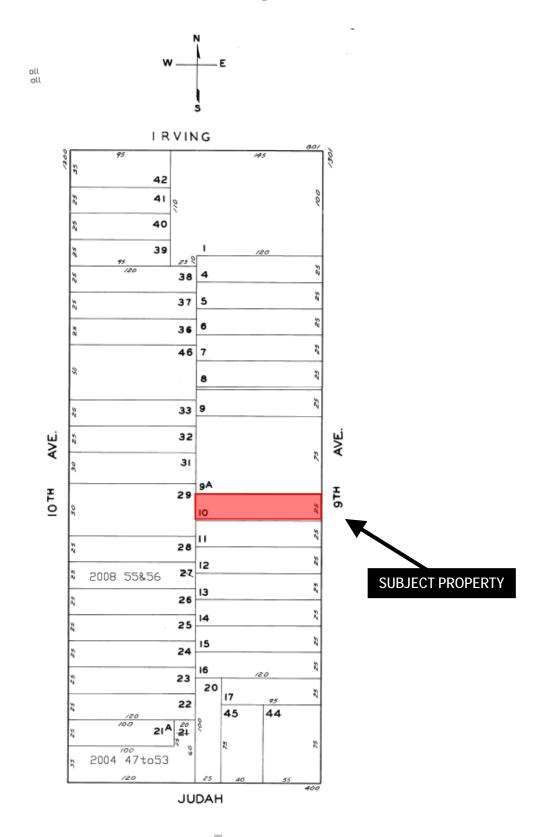
AYES:

NAYS:

ABSENT:

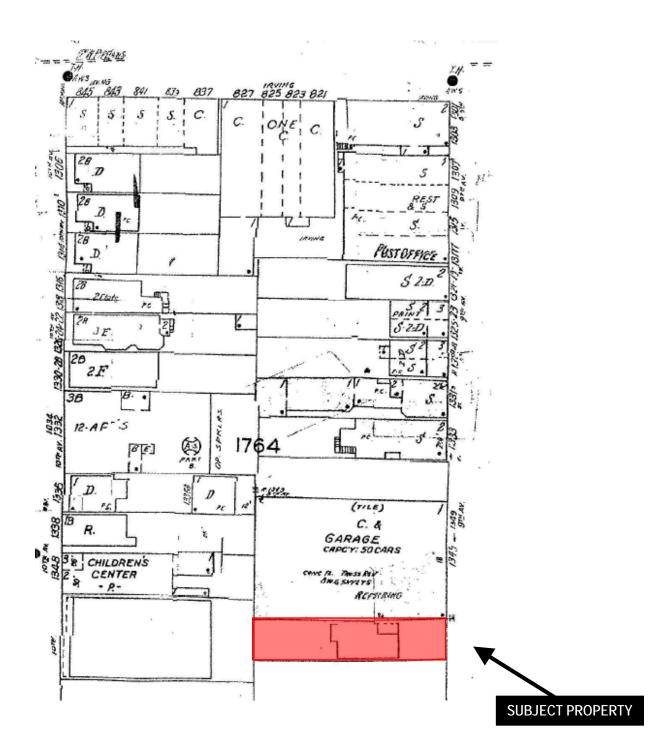
ADOPTED: December 8, 2016

Parcel Map





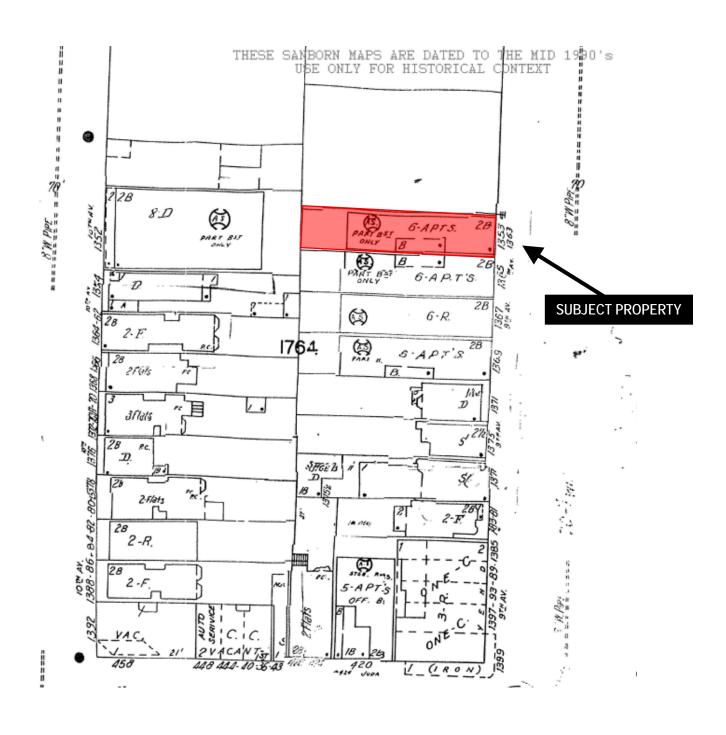
Sanborn Map 1*



*The Sanborn Maps in San Francisco have not been updated since 1998, and this map may not accurately reflect existing conditions.



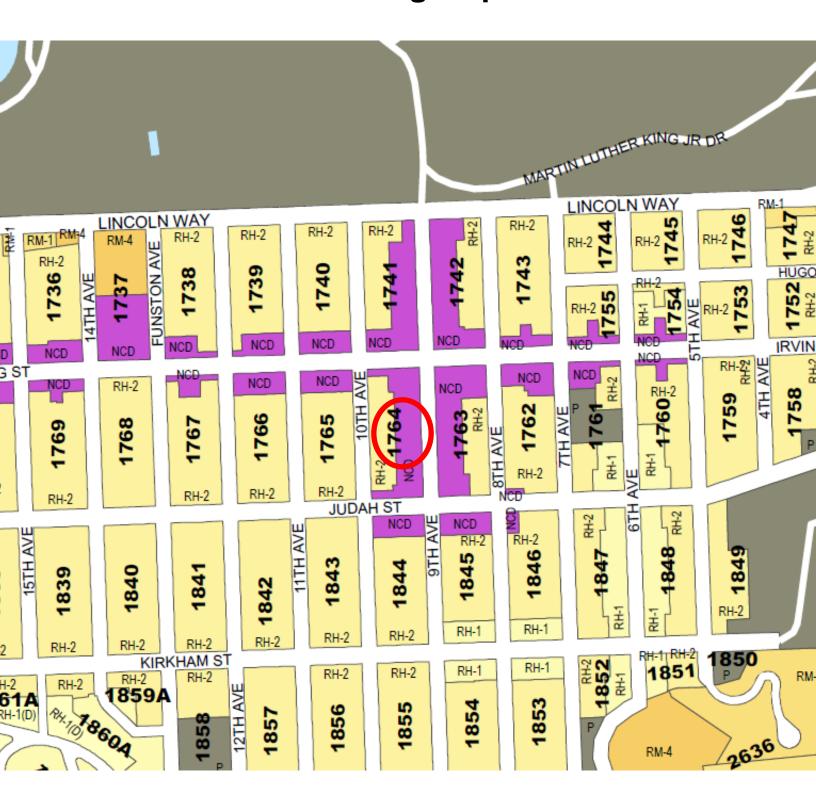
Sanborn Map 2*



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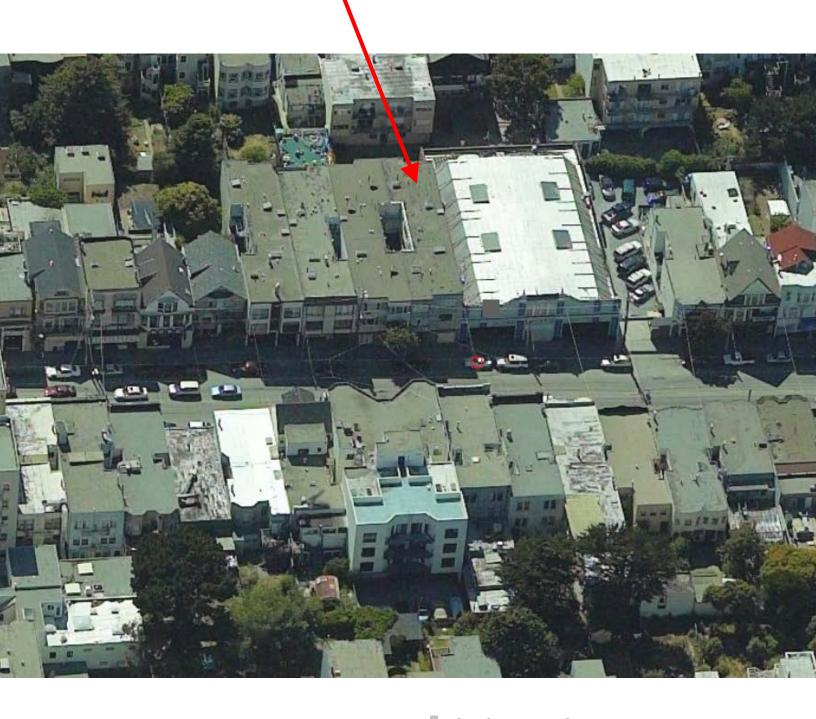
Zoning Map





Aerial Photo (looking west)

SUBJECT PROPERTY



Site Photo

